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May 13, 2002

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554

Re: In the Matter of Winstar Communications, LLC
Emergency Petition For Declaratory Ruling Regarding
ILEC Obligations To Continue Providing Service
In the Matter of Verizon Petition for Declaratory
Ruling Regarding CLEC Obligations To Cure
Assigned Indebtedness, WC Docket No. 02-80

Dear Ms. Dortch:

Enclosed for filing please find Allegiance Telecom, Inc.'s comments on Verizon's Petition For Declaratory Ruling in the above-captioned docket.

Respectfully submitted,

Mary C. Albert
Vice President, Regulatory and
Interconnection

May 13, 2002

Ms. Dorothy Attwood
Chief, Common Carrier Bureau
Federal Communications Commission
445 – 12th Street S.W.
Washington, D.C. 200554

Re: In the Matter of Winstar Communications, LLC
Emergency Petition For Declaratory Ruling Regarding
ILEC Obligations To Continue Providing Service
In the Matter of Verizon Petition for Declaratory
Ruling Regarding CLEC Obligations To Cure
Assigned Indebtedness, WC Docket No. 02-80

Dear Ms. Attwood:

Allegiance Telecom, Inc. (“Allegiance”) is writing to express its concerns about Verizon’s Petition for Declaratory Ruling Regarding CLEC Obligations To Cure Assigned Indebtedness. Allegiance takes no position on the merits of the contractual or legal disputes between IDT Winstar and Verizon. In resolving these difficult issues, the Commission’s primary focus must remain on the customers and the critical public interest objective of ensuring that telephone service is not disrupted because of a commercial dispute between carriers. As long as IDT Winstar is current on its payments for the circuits and facilities used to provide service to the customers it has chosen to retain post-bankruptcy, Verizon should be barred from suspending or disconnecting service to those customers unless and until IDT Winstar cures any pre-petition debt.

As the Commission is well aware, these are very trying economic times for the competitive local exchange carrier (“CLEC”) industry. The Commission’s decision in this matter is likely to have far reaching impacts on the ability of CLECs that have filed for bankruptcy to sell their assets or work toward reorganization to emerge from bankruptcy. At a minimum, the Commission must take all reasonable steps to protect customers’ connections to the public switched telephone network and enforce the public utility/common carrier obligations of the monopoly local exchange carriers who have the unique power and capacity to torpedo an asset purchase from a bankrupt estate by discontinuing service to the carrier purchasing the assets as Verizon is threatening to do in this case.

Respectfully submitted,

Mary C. Albert
Vice President, Regulatory and Interconnection

